

**Arlington Contributory Retirement Board
Meeting Minutes for March 30, 2017
Senior Center First Floor Conference Room**

Board members present: Chairman John Bilafer, Richard Keshian, Kenneth Hughes, Richard Viscay and Kenneth Steele

Guests: Mr. Aneish Arora of Meketa Investments and Stephen Gilligan

Call to order Special COLA Vote Meeting

Chairman Bilafer called the special meeting to order at 4:35 P.M. After review and discussion, Mr. Keshian made a motion pursuant to Section 103 (i) to approve and grant a 3% COLA on a base of \$15,000 for retirees and survivors effective July 1, 2017, seconded by Mr. Steele. The motion was approved by unanimous vote

Adjourn Special Meeting

Mr. Steele made a motion to adjourn the Special Meeting at 4:33 P.M., seconded by Mr. Hughes. The motion was approved by unanimous vote.

Call to order Regular Monthly Meeting

Chairman Bilafer called the regular meeting to order at 4:35 P.M

Meketa Investment Advisors for OPEB

Mr. Arora as part of the presentation to the Board prepared a detailed handout containing performance of the OPEB Fund as of February 28, 2017. This was presented to the members of the Board and will become part of the records of the Boards.

Mr. Arora informed the Board that the OPEB Trust from February 28, 2016 through February 28, 2017 had returned of 15.3% net of fees and for calendar year 2016 the return number was 6.9% net of fees.

Chairman Bilafer asked how that return percentage compares to the PRIT Fund. Mr. Arora told the Board that the PRIT Fund over the same period had a 7.45% return net of fees. Mr. Arora also wanted to reminded the Board that the asset allocation of PRIT and the portfolio set forth by the Board are very different

Mr. Arora then discussed with the Board the Asset Allocation Policy Review portion of the presentation. Mr. Arora started by reminding the Board that the asset strategy is set up for the long term goal set by the Board of 7.75% assumed rate of return. Mr. Arora then referenced the Meketa Investment Group's 2016 Asset Allocation Policy Comparison Data. Mr. Arora told the Board that their current conservative policy has a 42% probability of achieving a 7.75% return over 20 Years. Mr. Arora then showed the Board an aggressive policy that has an expected return of 8% with 52% probability of achieving a 7.75% return

over 20 Years with much higher risk. Mr. Arora showed the Board the PRIT policy which has higher risk then the Board's current policy and has an expected 7.7% return with a 49% probability of achieving a 7.75% return over 20 Years. Mr. Arora told the Board that to truly be compared to PRIT they Board's asset allocation would be re-invested in an aggressive policy portfolio with higher risk. Mr. Arora also reminded the Board that the conservative asset allocation with low fees and low risk is what the Board directed Meketa to design when Meketa was hired by the Board and not to compete with PRIT.

Mr. Arora then made his recommendation for the rebalancing of the portfolio. Mr. Arora recommended that the Board reallocate 2% of the US Equities to Emerging Markey Equities to bring the assets in line with the current investment policy. Mr. Keshian made a motion to rebalance the portfolio as recommended, seconded by Mr. Viscay. The motion was approved by unanimous vote.

Mr. Arora then asked the Board if they reviewed the updated recommended fee schedule. The current fee schedule agreement ended on December 31, 2016. After review and discussion Mr. Keshian made a motion to table the vote until the April meeting so the Board can have more time to review the proposed schedule, seconded by Mr. Viscay. The motion was approved by unanimous vote.

Motion and vote to approve Expense Warrants 7-2017,8-2017 and Payroll Warrant March PR 2017

After review and discussion, Mr. Keshian made a motion to approve the Expense Warrants 7 and 8 for 2017 and the March Payroll Warrants for payment, seconded by Mr. Steele. The motion was approved by unanimous vote.

Motion and vote to approve Minutes for February 16, 2017

After review and discussion Mr. Keshian made a motion to approve the February 16, 2017 Minutes, seconded by Mr. Steele. The motion was approved by unanimous vote.

Motion to approve new town members

After review and discussion Mr. Hughes made a motion to approve the new town members, seconded by Mr. Viscay. The motion was approved by unanimous vote

<u>Name</u>	<u>Date of Membership</u>	<u>Percentage</u>	<u>Position</u>
Elena Bartholomew	02/13/2017	9+2%	Administrative Asst. Police
Lauren Sweetser	03/13/2017	9+2%	Senior Clerk Typist

Motion to approve new school members

After review and discussion Mr. Steele made a motion to approve the new school members, seconded by Mr. Viscay. The motion was approved by unanimous vote

<u>Name</u>	<u>Date of Membership</u>	<u>Percentage</u>	<u>Position</u>
Ariel M Elinson	01/31/2017	9+2%	Teacher Assistant
Sydney Holman	02/01/2017	9+2%	Teacher Assistant
Gabriella Houser	02/16/2017	9+2%	Teacher Assistant
Matthew Jerome	11/28/2016	9+2%	Teacher Assistant
Emily Lacoss	03/17/2017	9+2%	Teacher Assistant
Ying Liu	02/14/2017	9+2%	Teacher Assistant
Elizabeth Montes	01/30/2017	9+2%	School Accountant
Donna Stone	03/06/2017	9+2%	School Cafeteria
Adrienne Szafranski	03/15/2017	9+2%	Teacher Assistant
Michael Toplyn	03/23/2017	9+2%	Teacher Assistant

Motion to approve new Housing Authority members

After review and discussion Mr. Steele made a motion to approve the new housing authority members, seconded by Mr. Viscay. The motion was approved by unanimous vote

<u>Name</u>	<u>Date of Membership</u>	<u>Percentage</u>	<u>Position</u>
Robin Aucella	02-06-2017	9+2%	Rental Housing Coordinator
Natoshia Dix	02-22-2017	9+2%	Occupancy Specialist

Review and discuss Group 2 Letter from Board Attorney Tom Gorman

The Board reviewed Mr. Gorman's letter pertaining to his research and conclusion of the status of Dispatchers regarding their Group classification status of Group 2 or Group 1 as requested by the Human Resource Director to the Board. Mr. Gorman conclude based on several legal cases in Massachusetts which all conclude the position of Dispatcher to be Group 1. Mr. Hughes stated he disagreed with the conclusion, but felt the current 10 dispatchers should remain in Group 2 and new hires be designated Group1. Mr. Viscay disagreed with Mr. Hughes and feels that all Dispatchers should be designated Group 1 as not to set up a two tier system with future dispatchers. Chairman Bilafer instructed Mr. Greco to contact the Human Resource Director Ms. Malloy and find out was it the Town's intent to switch the current dispatchers to Group 1 and to contact Stone Consulting to see if there is any effect on the funding schedule if the current Dispatchers are changed to Group 1 at the time of a vote on this matter. Mr. Steele made a motion to table this vote until the requested information can be obtained, seconded by Mr. Keshian. The motion was approved by unanimous vote.

Motion and vote a rollover of accumulated deductions for Tracee Trudell

Motion and vote a rollover of accumulated deductions for Tracee Trudell in the amount of \$ 1,023.26. Ms. Trudell had 6 months of creditable service working for the as Teacher Assistant for Arlington School Department After review and

discussion Mr. Keshian made a motion to approve the rollover, seconded by Mr. Steele. The motion was approved by unanimous vote.

Motion and vote a rollover of accumulated deductions for Bryan French

Motion and vote a rollover of accumulated deductions for Bryan French in the amount of \$ 21,464.20. Mr. French had 4 years and 4 months of creditable service working for the Town of Arlington as a Carpenter for the Facilities Department. After review and discussion Mr. Keshian made a motion to approve the rollover, seconded by Mr. Steele. The motion was approved by unanimous vote.

Motion and vote to approve the 2016 Annual Statement

After review and discussion Mr. Steele made a motion to approve the 2016 Annual Statement and forward to PERAC, seconded by Mr. Keshian. The motion was approved by unanimous vote.

Motion to approve retirement application for Stephen Gilligan

Mr. Gilligan was asked if he would like to say anything and he did. Mr. Gilligan thanked the Board for the work it does and he said it was a pleasure to work with the Board as the Custodian of the Funds. Mr. Gilligan stated he was retiring after 11 years of being the Elected Treasurer for the Town of Arlington and hope he did half as good of a job as his predecessor Mr. Bilafer. Mr. Bilafer thanked Mr. Gilligan and then on behalf of the Board thanked Mr. Gilligan for his service. Mr. Hughes made a motion to approve Mr. Gilligan's retirement application, seconded by Mr. Steele. The motion was approved by unanimous vote. Mr. Gilligan left the meeting.

Name	DOB	Creditable Service	Group	Dept/Pos	Veteran Status	Retirement Option	Date
Stephen Gilligan	04-29-1953	23 Years 4 Month	1	Treasurer/Treasurer and Collector	N	C	04-29-2017

New Business

The meeting dates for April, May and June of 2017

Mr. Greco suggested to the Board Thursday April 27th, Thursday May 25th and June 29, 2017. After a discussion Mr. Steele made a motion to approve the meeting date as presented, seconded by Mr. Hughes. The motion was approved by unanimous vote.

Adjourn

At 6:00 PM Mr. Viscay made a motion to adjourn the meeting, seconded by Mr. Steele. The motion was approved by unanimous vote